What the Victory by UPS Teamsters Means to Us at FedEx...

The 185,000 Teamsters who work at United Parcel Service have won a great victory for themselves, their families, and ALL of us who work for a living.

They stood together. They fought for full-time jobs with decent wages. They fought for pensions they could count on in their old age and a safer work place. They fought for a share in the success they helped to build.

They took on the 9th largest company in the world — and **won**.

It was David versus Goliath again — and David won.

We built FedEx. It used to be like a family, but no more. They've taken the people — that's us — right out of P-S-P.

Many of us, at the same time we were taking up the slack in packages, were walking the picketlines with our UPS brothers and sisters, writing letters of support, and honking our horns for them.

Their issues are our issues. Decent pay. More full-time jobs. Subcontracting. Safety and health. Pensions. A say in what goes on.

Let's look at what they won:

- **Raises** — A $3.10 an hour raise over 5 years for full-timers for a top rate of $23 by the end of the contract. A $4.10 an hour increase for part-timers for a $15 rate.
- **Full-time jobs** — UPS agreed to create 10,000 new full-time jobs — in *addition* to those that open up from company growth, retirements, etc.
- **Subcontracting** — A phase-out of all subcontracting by the end of the year, except for peak season. UPS, like FedEx, had wanted to INCREASE subcontracting.
- **Safety and health** — If UPS wants to increase the package weight limit again, they have to negotiate it with their workers.
- **Pensions** — Pension increases will enable a UPS Teamster in the Central States Pension Fund to retire after 30 years with $3,000 a month. UPS wanted to take the pension plan away and use the money it made to feather their own nest — rather than increase benefits for retirees.

And all this is in a legal, binding contract. UPS can't just take it away the way Fred Smith could with all the raises he's given us. We earned the raises — but we all know we only received them because we are organizing our Teamsters Union.

There's a lesson here for us. It's not about strikes — it's about *standing together* for the future. If we stand together, we can win, too.

The UPS Teamsters have shown all of us that working men and women who do the same work we do can gain a better future for themselves and their families. Teamsters President Ron Carey and the whole union have committed themselves to helping us.

Join us in building our Teamsters Union TODAY!

FedEx Teamsters Organizing Committee

1-888-333-9428

=Our Rights= *under the LAW*

"No carrier, its officers or agents, shall deny or in any way question the right of its employees to join, organize, or assist in organizing the labor organization of their choice, and it shall be unlawful for any carrier to interfere in any way with the organization of its employees..."

— *The Railway Labor Act, which governs Federal Express*

These are our rights:

- ★ The right to join or help organize a union without being harassed or punished by *FedEx* management.
- ★ The right to have meetings at lunchtime or break time in non-work areas on company property, without being harassed or punished by your employer.
- ★ The right to talk about the union, distribute union materials , or ask our co-workers to join the union, on non-work time (including lunch and breaks) in non-work areas (break rooms, locker rooms, etc.).
- ★ The right to go to union meetings and wear union buttons without interference from our boss or supervisors.
- ★ The right to hold demonstrations and rallies about the union or about work problems.

When you support the union or engage in any of these activities, federal law protects you from harassment by FedEx management. This means <u>our employer may not:</u>

- ★ Fire, discipline, lay you off, or cut your hours for supporting the union.
- ★ Spy, or pretend to spy, on your union activities.
- ★ Threaten or question you about the union.
- ★ Grant or promise special favors to employees to vote against the union.
- ★ Deny you the right to vote for the union.
- ★ Pressure you not to join a union.

Violation of these rights by FedEx management can result in civil or criminal charges being brought against them.

We will enforce our rights by building our union and by documenting any interference, restraint or coercion.

FedEx Teamsters Organizing Committee
1-888-333-9428

JOIN US FedEx /Teamster Worker Meeting

On Sunday November 16, 1997 FedEx workers employed at stations from all across the nation will be meeting in Chicago, IL.. During this first ever national meeting, workers will be attending to discuss their futures. Many workers from various stations have already made a commitment to attend.

WHO: All FedEx workers who want to secure and improve their future.
WHAT: A national meeting of FedEx workers; to discuss, develop, and plan FedEx/Teamster organizing ideas and strategies.
WHEN: Sunday November 16, 1997 Noon till 6pm
WHERE: Quality Inn, @ Madison & Halsted, Chicago, IL. Ph. 1-312-829-5000
(special rates have been arranged, call the number below for special instructions)

For more detailed information call Toll-Free: 1-888-FEDX-IBT (333-9428) or Terry Meadows @ E-mail address: LaborUnite@aol.com
Fax # 1-217-428-2158 Voice mail: 1-800-428-2004 Ext. 4068

A newsletter by and for FedEx Workers

FedEx Workers Organizing Committee
c/o Teamsters Union Organizing Dept.
25 Louisiana Ave. NW, Washington, DC 20001
(202) 624-8718 (phone) (202) 624-6832 (fax)

FedEx News Express

Toll-Free 1-888-FEDX-IBT (333-9428)

Summer, 1997

Teamsters' Carey: "We Will Stand With You As Long As It Takes"

FedEx Teamsters Kick Off Drive to Build Our Union

FedEx workers have joined together with Teamsters throughout the nation to deliver one simple message — "We built FedEx. Now we'll build our union." That's the message being sent from San Diego to Presque Isle, Maine, from the Great Lakes to the Rio Grande, and even beyond US borders to Canada and Europe.

Speaking before a conference of 211 parcel and small package locals representing over 200,000 Teamsters, Teamsters General President Ron Carey pledged all-out support for our fight. "We are going to stand BESIDE FedEx workers, not BEHIND them," said Carey, who drove a UPS package truck for 12 years, like his father before him.

"It may take months, it may take years," Carey said later in a message to FedEx employees meeting in Chicago. "It may be done site-by-site under the National Labor Relations Act or all at once, in one big national election, under the Railway Labor Act. However we have to do it, we will stand with you as long as it takes."

On April 5, FedEx workers and Teamsters gathered at more than 80 Teamster union halls coast-to-coast for a national conference call. FedEx workers shared their own experiences that moved them to organize for the union and swapped strategies and ideas with Teamsters, including many UPS and Airborne volunteers.

Our Teamsters Union already represents 200,000 men and women who do the very same work we do — day in and day out. They are better paid, have a grievance procedure that works for them, a voice on the job, decent pensions, and the respect that comes from strength. What they have, we can have; what they've won, we can win.

The February 3, 1997 issue of Fortune magazine features the 1997 list of the most admired companies in America. UPS — where 185,000 Teamsters work — moved up to number four, while nonunion FedEx continued its slide to number 78.

We helped build FedEx. We went the extra mile for the company, even at the expense of our own families. Yet now we have been cast aside. FedEx employees have patiently waited for management to take serious action on wages that have fallen far behind inflation, on speedup, and on subcontracting. We need hours and jobs reinstated. We are fed up with providing year after year of productivity gains with nothing to show for it. We are tired of sloppy and half-baked "incentive" plans that actually punish teamwork and customer service.

Year after year, the Teamsters make sure that UPS turns productivity gains into real employee wage and benefit gains. Meanwhile, our productivity gains are frittered away on new paint jobs, glitzy public relations and videos, and endless talk.

There's only one way to make FedEx a good place to work once again. There's only one road that leads to the voice on the job and the respect we deserve. That's by winning representation by our Teamsters Union. With our own union, we'll be better off, our families' futures will be more secure, and even the company will be the better for it — even if they are too blind to see that just now.

Our future is in our hands. Let's make it happen in our stations — starting now!

DON'T BE CONFUSED!

In case you wondered, this publication comes from FedEx workers and the Teamsters Union — not from FedEx. FedEx has not endorsed the content of this newsletter and — so far as we know — has no involvement in its distribution!

Teamsters stand shoulder-to-shoulder with their FedEx brothers and sisters in their fight for good jobs and a better future — from the Teamsters shown here near company headquarters in Memphis to the smallest station in the 50 states!

Why We Need A Union At FedEx

What really got me off the dime was the termination of one of my co-workers at GYY recently. This fellow — a devout Christian, 18-year veteran and family man — was terminated because he failed the JKT while having two unrelated reminder letters in his file. One of the letters was no longer "active" (a meaningless piece of FedEx jargon) because it was a year old. But FedEx can reach back as far as 18 months into your file to use letters against you — and used it to terminate him.

That's not the whole story, though. It gets even worse. One of his letters was for "timecard abuse" — where he had either forgotten to enter an adequate amount of break time or had some small amount of unaccounted time. Now there's a good reason to take away a man's livelihood after 18 years of service!

The final transgression which sealed his fate was his flunking of the JKT. Under any other circumstances, he would have been given three chances to pass the test or, even if he flunked on his third try, given the opportunity to find other work in the FedEx system. Because of the two unrelated letters, he was denied even a second shot and fired.

In this case, he had successfully improved on the absenteeism and time card entry problems — as evidenced by the fact that he received no further counseling on either problem. Despite his earnest efforts at improvement, an unjust FedEx policy ignored his self-improvement.

I found out that at Airborne Express and UPS — where folks have Teamster contracts — our peers cannot be disciplined or terminated by combining letters for different performance indices. Furthermore, any documented disciplinary procedures in an employee's record are in effect for only nine months, except for vehicular accidents where there is a 12 month retention period.

Unfortunately, my co-worker's story does not have a happy ending. Even though I thought we had a good shot at fighting the company on its own terms and winning, he was so disheartened by the whole prospect of fighting for a job he didn't deserve to lose in the first place that he took a job at Airborne. While I hate the notion that FedEx drove him out two years short of pension eligibility, I can't blame him for being so "FedUp."

It's highly unlikely FedEx will right its past and present wrongs of its own volition.

—Kevin Osiowy
Courier, GYY
Chicago, IL

Spreading the word to other stations are FedEx Teamsters Dan Profitt (at far left) from Indianapolis and (at far right) Jennifer Willett from Modesto, CA. They are joined (left to right) by Teamsters Local 174 organizer Mike Lazlett, Local 174 president Bob Hasegawa, and by UPS volunteer organizer Brad Magnuson.

This Ex-Flying Tiger is Growling Big Time

In an effort to punish ex-Flying Tiger employees, the company is implementing a revised vacation bidding policy, affecting only those workers with 10 or more years of continuous service.

This policy change does not follow the guidelines of the company's own policy manual — more evidence that FedEx changes its own policies at management's discretion. It's just one more reason why we need a binding contract.

—Rev. Tom Williams
Heavyweight station, Indianapolis, IN

Courier Challenges Suspension...and Wins!

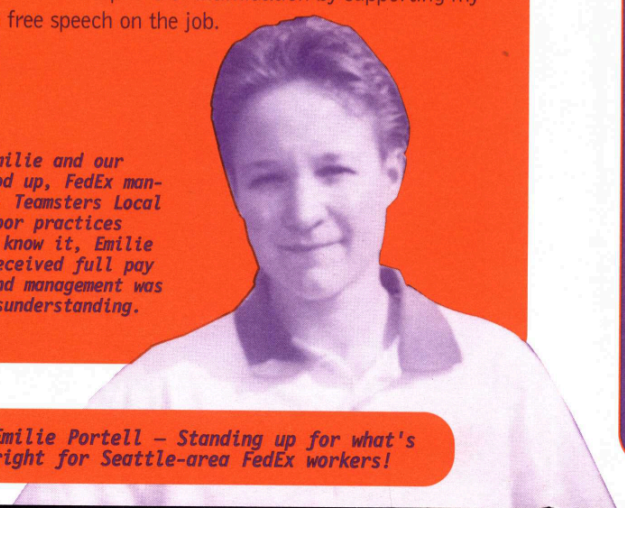
On Friday, April 25, 1997, I was suspended by BFIA management. Specifically, they said I was "distributing literature" in employee mailboxes, which they said was a violation of company policy.

This action violates my legal right to organize under federal law. Ironically, management is free to distribute anti-union propaganda in our boxes at any time, but they prohibit anyone from presenting an alternative point of view. There has never before been any restrictions on what type of mail or messages we could place in employee mailboxes.

This is not just about the union. People are afraid to talk about things like warning letters, pay scales, reviews, etc. Whether you are for a union or not, you can help change this atmosphere of intimidation by supporting my right — and yours — to free speech on the job.

Emilie Portell
BFIA Courier
Seattle, WA

(Postscript: When Emilie and our Teamsters Union stood up, FedEx management backed down. Teamsters Local 174 filed unfair labor practices charges. Before you know it, Emilie was back at work, received full pay for her time off, and management was calling it all a misunderstanding. Yeah, sure.)



Emilie Portell – Standing up for what's right for Seattle-area FedEx workers!

In Unity, There's Strength

Why do we need a union? Because FedEx programs like GFT and the Accident Appeals Board play us for suckers! We're workers, not lawyers, yet we're isolated in a room one at a time against a collective of highly trained adversaries. Management sets the rules and gives itself the deciding vote.

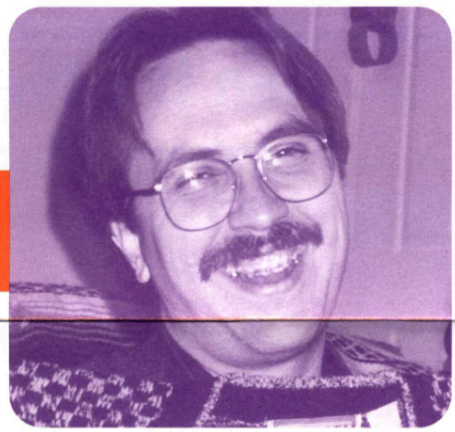
I'm 42 years old, with years of experience at both union and nonunion jobs. Believe me, the fox doesn't put itself in charge of the henhouse to protect the chickens!

FedEx workers need a real grievance procedure, with our own eagle-eyed stewards representing us. Stewards help us prepare our case and advise us on our legal rights and courses of action. They sit with us behind management's closed doors and document everything the boss says. They speak up and fight for us.

With the power of the union, we're not alone anymore.

With its unmatched experience in transportation and good contracts at UPS and Airborne, the most logical union for us FedEx workers to join is the Teamsters. Our Teamsters Union is in a much better position to negotiate a master industry-wide contract than any other union starting from scratch.

—Bob Kutchko
Courier IXDA
Lenexa, KS



Bob Kutchko, formerly a UAW shop steward, leads the charge for Teamsters representation in the Kansas City area.

20 FedEx Stations File Petitions for Teamster Representation

Already, employees have filed petitions with the National Labor Relations Board for Teamster representation in 20 stations, with dozens more set to file anytime now.

In Chicago, eight stations, representing a majority of Chicago FedEx workers have filed. Other filings include three stations in Indianapolis; Lexington, KY; Muncie, Kokomo, Columbus and South Bend, IN; Rolla and St. Clair, MO; Cranberry Township, PA; and Modesto, CA.

Congratulations to all those who have filed! You are an inspiration for the rest of us.

Interpreting Fred Smith

In this regular feature, we will take what our CEO says — and put the hay down where the goats can get it. This issue's entry:

> "We've implemented goal congruent pay programs to better align employee opportunities with the Company's goals."
>
> —from the CHIEF EXECUTIVE OFFICER, March 1997

Interpretation: "We've done away with regularly scheduled wage increases and substituted phony incentive schemes rather than invest in the workers who built this company and maintain competitive wage levels.

"Employees are — if hurt or ill, too senior or too costly — expendable. We can subcontract and vendor their work. We can reduce their hours and load up with part-timers who are here today and gone tomorrow.

"All this is consistent with our PSP philosophy of treating employees with dignity and respect — because I say so. After all, I have a Company to run."

FedEx Teamsters' Stake in the UPS Contract Fight

More than 185,000 Teamsters who work at UPS are currently involved in contract negotiations with the company. What's at stake for UPS members is also important for us at FedEx — and for all of America's working families. The UPS contract is the largest labor contract being negotiated in 1997.

All across the nation, UPS Teamsters are mobilizing to fight UPS's attempt to shift to more low-wage, part-time jobs — instead of full-time job opportunities and a better deal for part-timers.

UPS Teamsters are also battling the company's subcontracting out of their work to other companies. At the same time, they are opposing UPS's effort to take away workers' safety rights through special interest legislation — how familiar does that sound to FedExers?

UPS Teamsters have come together in the past to win good contracts and a voice on the job. Now, they are looking to win an even better deal — working together through the union.

Just as UPSers support us at FedEx in our fight to win Teamsters representation, so we say to UPSers "We're with You!" in your battle to win a good contract and a better future for all working families.

Taking the Message to the Company

When Indianapolis ramp operations agent (and union firebrand) Leanna Cochran was collared by FedEx management in February and suspended for a week, FedEx management clearly didn't know what they'd gotten themselves into.

Cochran was distributing literature about the company's future operating plans in a non-work area, on non-paid time. The charge: unacceptable conduct. The first level of GFT confirmed the charge but, at the second GFT level, a company vice-president had to exonerate Cochran because the company just didn't have a leg to stand on.

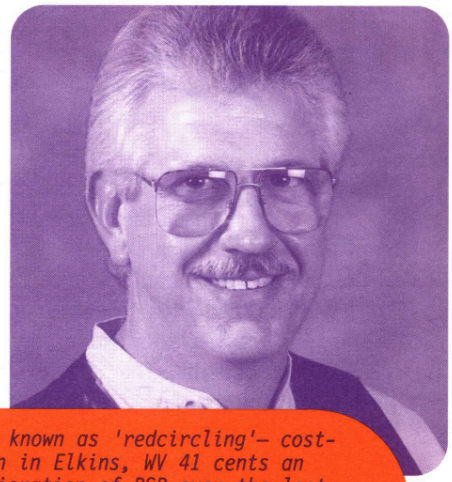
When Indy union folks went back to the Indy hub, they stationed themselves outside the front door, with a local TV station in tow. Dan Profitt, a FedEx driver, was ordered to leave and did. Later, though, FedEx had to admit that the front door of the Hub was also a non-work area. From now on, you'll find Indy FedExers right up front — taking the message to the company.

ON THE INTERNET:

Check out:

Teamsters Union at "http://www:teamster.org" and the Fed Up Home Page at "http://our-world.compuserve.com/homepages/kevin_osiowy/whythisw.htm"

and get some of your questions, comments and concerns answered by contacting Teamster organizer Terry Meadows at "laborunite@AOL.com"



"After seeing my company use a tactic known as 'redcircling'– costing employees at our satellite station in Elkins, WV 41 cents an hour – and watching the overall deterioration of PSP over the last eight years, I think it's time we got some real representation with the Teamsters."

–Jim Mayfield, 14-year Courier
CKB, Clarksburg, WV

"We've Built FedEx: Now Let's Build Our Union" Video Now Available

FedEx workers talk about the company and why we are organizing to win justice on the job in a new 10-minute video available from our Teamsters Union. The video includes interviews with our fellow workers and excerpts from the moving Capitol Hill testimonies given by FedEx workers during the fight against the company's dirty, special interest deal intended to keep us from organizing.

This video is a "must-see" for spreading the word about our campaign to all corners of the land. Order today by sending $5 (includes postage) to: FedEx Workers Organizing Committee, Teamsters Organizing Dept., 25 Louisiana Ave. NW, Washington, DC 20001. Make checks payable to "IBT."

FedEx Workers Organizing Committee
Organizing Department
International Brotherhood of Teamsters
25 Louisiana Avenue NW
Washington, DC 20001
Toll-Free 1-888-FEDX-IBT (333-9428)

Join the Fight for Fairness at FedEx!

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____

Job _____ Station & Location _____

____ Yes, I'm ready to organize! Please send me ____ copies of the "We Built FedEx: Now Let's Build Our Future" pamphlet with authorization card.

____ Please send me ____ "Put People Back In P-S-P" stickers.

____ Please send me ____ copies of "Our Rights to Organize" leaflets.

____ Please send me a copy of our FedEx organizing video (see this page). Enclosed find $5.

Return to:
FedEx Organizing Committee,
c/o Teamsters Organizing Department,
25 Louisiana Ave. NW, Washington, DC 20001
phone: (202) 624-8718 fax: (202) 624-6832

INTERNATIONAL
BROTHERHOOD OF TEAMSTERS
AFL-CIO

ORGANIZING DEPARTMENT

TEL: (202) 624-8718
FAX: (202) 624-6832

FedEx Organizing Campaign History

1989-1995 Litigation on NMB-NLRB jurisdiction; little interest from FedEx workers; attempts to involve UPS members in volunteer trainings and outreach to FedEx workers.

Summer, 1996 FedEx workers begin to call Teamsters locals around the country; first time widespread anger among workers leads to unprecedented activity.

October, 1996 300 workers come to enthusiastic rally in Chicago; Sen. Kennedy sponsors press conference on Capital Hill with FedEx and UPS workers; in response to stepped up organizing activity by the Teamsters, FedEx spends more money than any U.S. corporation lobbying for any single bill during 1996, and succeeds in getting special interest legislation which enhances their position that the company should be covered under the RLA. Wide publicity. First NLRB petitions filed by Teamsters in Indiana.

November, 1996 After stating that there would never again be across-the-board raises at FedEx in April 1996, FedEx responds to IBT organizing by announcing across-the-board wage increases.

Winter, 1996-97 NLRB petitions begin to get filed. UAW activity intensifies in response.

March, 1997 President Carey charges all PSPD locals to go out and file NLRB petitions. Among the reasons is to outpace UAW activity, and be ready with many petitions in the event the NLRB asserts jurisdiction and because our attorneys believed a decision was imminent.

April, 1997 National conference call with participation of 80 local unions

May 30, 1997 NLRB makes historic ruling: FedEx is covered by the RLA. By this time, Teamster locals have filed 21 petitions; 8 in Chicago, 5 in Indiana, 2 in Missouri, and one each in Modesto, CA, Pittsburgh, Lexington, 3 in New York.

July 3, 1997 IBT advises Teamster locals to withdraw NLRB petitions and ULP's. Federal law suit is prepared on behalf of discharged worker and other matters related to access to properties and other forms of discrimination.

August, 1997 UPS STRIKE; IBT files Federal law suit against FedEx charging the company with violating workers' right to organize.

Post-Strike to the Present

Internet, phone lines, and local union inquiries increasing; UAW seems to be out of the picture. Attorneys believe a strong argument can be make for a class and craft designation under the RLA for drivers.

September 29, 1997

FedEx Stockholders meeting. UPS, FedEx workers and Teamster officials turn meeting into full-range debate over the company's direction.

October 6, 1997

FedEx announces purchase of Caliber System, Inc., with five subsidiaries: RPS, Viking Freight, Roberts Express, Caliber Logistics and Caliber Technology.

Teamsters talk with FedEx workers

Name of
FedEx worker _____

Address _____

_____

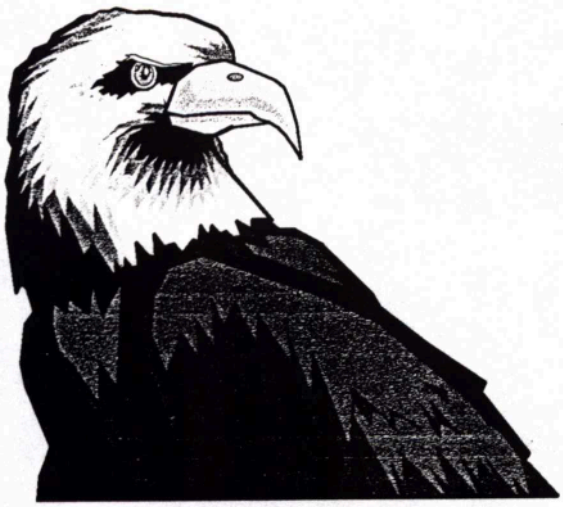
Phone _____

Hub Location _____

What's your biggest concern as a FedEx employee?

_____

Please return this card to your local union or the Teamsters Organizing Department, 25 Louisiana Avenue, NW, Washington, DC 20001.



Workers have rights also

Just like the Eagle "the symbol of our Freedoms in America" working men and women have a right to report for work, perform their jobs to the best of their ability, without being harassed by their bosses. FedEx workers have a legal right to organize. Manager's who violate the law will be held accountable.

Managers Beware: you are being watched!!!

The Law is Clear

MANY FEDEX MANAGERS are starting to reevaluate their "tactics" regarding anti-union activities. Recently many managers and supervisors have taken a look at how the actual law reads regarding their personal anti-union activities. The very "act" that Mr. Fred may have spent up to several millions to retain, may cost many managers and supervisors their life savings as well as earning them an unpaid vacation in a Federal prison. Many managers understand that if a company will turn it's back on the loyal employees who made it successful, then some supervisors and managers don't stand a chance. The intimidation tactics are illegal. Unlike the National Labor Relations Act, under the Railway Labor Act officers, and other supervisory employees, can be held personally accountable for their actions. Is it a wonder then why some people recently removed themselves from the direct line of fire?

Be advised; below are excerpts from the Railway Labor Act although it is very clear anyone concerned about their own actions may want to consult with a private attorney, rather than relying on the corporate legal department.

Railway Labor Act Subchapter 1, section 151. Fourth paragraph. **Organizing and collective bargaining; freedom from interference by carrier; assistance in organizing or maintaining organization by carrier forbidden; deduction of dues from wages forbidden.** Employees shall have the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine who shall be the representative of the craft or class for the purpose of this chapter. No carrier, its officers or agents, shall deny or in any way question the right of its employees to join, organize, or assist in organizing the labor organization of their choice, and it shall be unlawful for any carrier to interfere in any way with the organization of its employees

Railway Labor Act Subchapter 1, section 151. Tenth paragraph. **Violations; prosecution and penelties.** The willful failure or refusal of any carrier, its officers, or agents to comply with the terms of the third, fourth, fifth, seventh, or eighth paragraph of this section shall be a misdemeanor, and upon conviction thereof the carrier, officer, or agent offending shall be subject to ***a fine of not less than $1,000.00 nor more than $20,000.00 or imprisonment for not more than six months, or both fine and imprisonment, for each offense,*** and each day during which such carrier, officer, or agent shall willfully fail or refuse to comply with the terms of the said paragraphs of this section shall constitute a separate offense.

BUSINESS

THE COMMERCIAL APPEAL

MEMPHIS, TUESDAY, SEPTEMBER 30, 1997

CORPORATE

Questions session gets testy at FedEx stockholder meeting

By Dave Hirschman
The Commercial Appeal

During an unusually rancorous annual meeting Monday, FedEx owners rejected stockholder initiatives that would have required the company to report "soft money" campaign contributions and elect all board members annually.

Representatives from the International Brotherhood of Teamsters and other unions aimed pointed questions at FedEx founder and chairman Frederick W. Smith — and Smith fired back with verbal barbs.

"Your agenda is political . . . and you need to sit down," Smith told Bart Naylor, a Teamsters spokesman who rose frequently from the audience of about 100 people with questions and comments. "I'm the only one who's going to give a speech today."

Unlike previous FedEx annual meetings, many of which lasted 20 minutes or less, Monday's frequent questions, interruptions and protracted comments extended the gathering to about an hour.

Union representatives challenged FedEx for paying board members Howard H. Baker $200,000, and Charles T. Manatt and George J. Mitchell $100,000 each for legal services in 1997, and planning to buy $265,000 in software from board member Judith L. Estrin's computer firm.

"Your agenda is political . . . and you need to sit down. I'm the only one who's going to give a speech today."

— Frederick W. Smith

Baker and Mitchell are former members of the U.S. Senate; Manatt is a former national chairman of the Democratic Party.

Smith defended the decisions and praised the "independence and integrity" of each board member. "There's no question they have the best interest of the shareholders at heart," he said.

Leanna Cochran, a FedEx employee from Indianapolis, took issue with FedEx hiring subcontractors and asked about possible plans to outsource work in the future.

Tom Price, a truck driver, said he thought the company was renting unsafe equipment. And Teamsters spokesman Carin Zalenko questioned Smith about a discrimination lawsuit filed in Memphis against FedEx.

Smith countered that the discrimination suit was baseless, and I hiring and promotion policies v model for the nation.

The Teamsters' pension fund about 600,000 shares of FedEx union officials said. FedEx co stock has more than doubled in during the last 12 months — much of the runup following a gust strike by Teamsters at United Parcel Service.

The Teamsters say they will m major effort to represent non-FedEx workers, too.

Unlike UPS, however, FedEx i ognized as an airline, and the un required to organize workers a the country all at once instead city-by-city basis.

A Message for FedEx Shareholders... from FedEx Workers

All of us have something very important in common — we care about FedEx and we want to continue our company's success.

Many of us have been there since the beginning. We worked the 90 and 100 hour weeks, sacrificing time with our families to get the job done. We did what we were asked to do when we were asked to do it — and then did more. As FedEx grew, our pride in what we'd built also grew.

Now, though, thousands of us — in FedEx stations all across America — feel the "People" part of our "People, Service, Profit" motto has been forgotten.

- **Forgotten** when our company spent millions of dollars last year to win a special interest favor from politicians that makes it harder for us to exercise our rights as Americans to organize and bargain collectively.

Was this a good use of corporate monies?

- **Forgotten** when FedEx work is increasingly contracted out to outside vendors — work we used to do and do with pride.

Isn't this penny-wise and pound-foolish?

- **Forgotten** when more and more work is done by part-time employees and less full-time work is available.

Who can support a family on part-time work?

- **Forgotten** when FedEx has fired some of our fellow workers for engaging in legal, protected activity and suspended, threatened, and intimidated others — just for exercising our right to organize to improve our jobs and our company.

Is it good business to violate American labor law — and to silence employees who want nothing more than to build a better company for <u>all</u> of us?

FedEx workers built this company. We own shares just like you. We want to continue to build a future for ourselves, our families, and our company. That's why we are organizing our Teamsters Union.

FedEx Teamsters Organizing Committee

Compare the Teamster Advantage

(For typical employees — local variations occur)

Teamsters Contract Guarantees at UPS	FedEx Wages and Benefits
WAGES:	
• Raises: $3.10 ($20,000) over 5 years **Package and trailer drivers:** • $20.55/hour (VA) -$20.97/hour (CA) **Full-time air drivers:** • $15 per hour after 2 years • $17.50 in 2001 **Part-time air drivers:** • $13.00 per hour after 2 years • $15.50 per hour by 2001	No raises guaranteed; raises in '97 the first in many years, came only when many FedEx people began to join the Teamsters. Top rate, set entirely by management, ranges from $13.81/hour (WV) to $17/hour (NY). Many full-timers and part-timers make far below $13.81 and it takes 5-7 years to get top rate.
PENSIONS:	
Most full-time employees: • $2,500 per month after 25 years (age 57) • $3,000 per month after 30 years • $3,500 per month after 35 years **Part-time employees:** • $1,000 per month after 25 years • $1,500 per month after 30 years • $1,750 per month after 35 years	**Most full-time employees:** • $1,375/month after 25 years (age 60) • $1,650/month after 30 years (age 60) • $1,925/month after 35 years (age 60) **Part-time employees:** • no pension credit for any year in which hours worked are under 1,000 (source: FedEx <u>your employee benefits</u>)
HEALTH INSURANCE:	
Paid by UPS, negotiated by Teamsters: • Full family medical coverage • Family dental benefits • Family vision benefits	• Employee pays part of premium • Up to $34/month, individual plan • Up to $148/month, family plan
GRIEVANCE PROCEDURE: NEUTRAL ARBITRATOR	
• Just cause required for discipline; innocent until proven guilty for most accusations • Representation elected by members	• Representation paid by and selected by FedEx; no neutral arbitrator
SENIORITY PROTECTIONS FOR:	
• Preferred jobs and start times • Vacation preference	• Assignments and vacation selected at management's discretion

MORE ON BACK

Teamsters Contract Guarantees at UPS	FedEx Wages and Benefits
SUBCONTRACTING OF TRACTOR TRAILER WORK:	
• Strong limits except at Christmas peak season • At peak season only if union agrees	• No limits on subcontracting
FULL-TIME JOBS:	
• 10,000 new full time jobs in next 5 years • Part-timers: bid to full-time by seniority	• No guaranteed full-time • Advance only at management's whim
PROTECTION AGAINST HARASSMENT:	
• Management must consider age and physical condition of employee in setting stops/hour • Limits on excessive number of management rides	• No protections • Bonus cut if stops too low
SAFETY AND HEALTH PROTECTIONS:	
• Right to Teamster help with packages weighing over 70 pounds • Job protection if injured on the job	• No right to get help with packages over 70 pounds; injured • Employee must return to work in 30 days or lose route position; must return in 90 days or lose job; employee penalized for using sick days
Right to vote on all contract issues	***No employee voice in decisions***

FedEx Teamsters Organizing Committee

1-888-333-9428

INTERNATIONAL BROTHERHOOD OF TEAMSTERS AFL-CIO

=Our Rights=
under the LAW

"No carrier, its officers or agents, shall deny or in any way question the right of its employees to join, organize, or assist in organizing the labor organization of their choice, and it shall be unlawful for any carrier to interfere in any way with the organization of its employees..."

— *The Railway Labor Act, which governs Federal Express*

These are our rights:

- ✯ The right to join or help organize a union without being harassed or punished by *FedEx* management.
- ✯ The right to have meetings at lunchtime or break time in non-work areas on company property, without being harassed or punished by your employer.
- ✯ The right to talk about the union, distribute union materials , or ask our co-workers to join the union, on non-work time (including lunch and breaks) in non-work areas (break rooms, locker rooms, etc.).
- ✯ The right to go to union meetings and wear union buttons without interference from our boss or supervisors.
- ✯ The right to hold demonstrations and rallies about the union or about work problems.

When you support the union or engage in any of these activities, federal law protects you from harassment by FedEx management. This means <u>our employer may not:</u>

- ✯ Fire, discipline, lay you off, or cut your hours for supporting the union.
- ✯ Spy, or pretend to spy, on your union activities.
- ✯ Threaten or question you about the union.
- ✯ Grant or promise special favors to employees to vote against the union.
- ✯ Deny you the right to vote for the union.
- ✯ Pressure you not to join a union.

Violation of these rights by FedEx management can result in civil or criminal charges being brought against them.

We will enforce our rights by building our union and by documenting any interference, restraint or coercion.

FedEx Teamsters Organizing Committee
1-888-333-9428

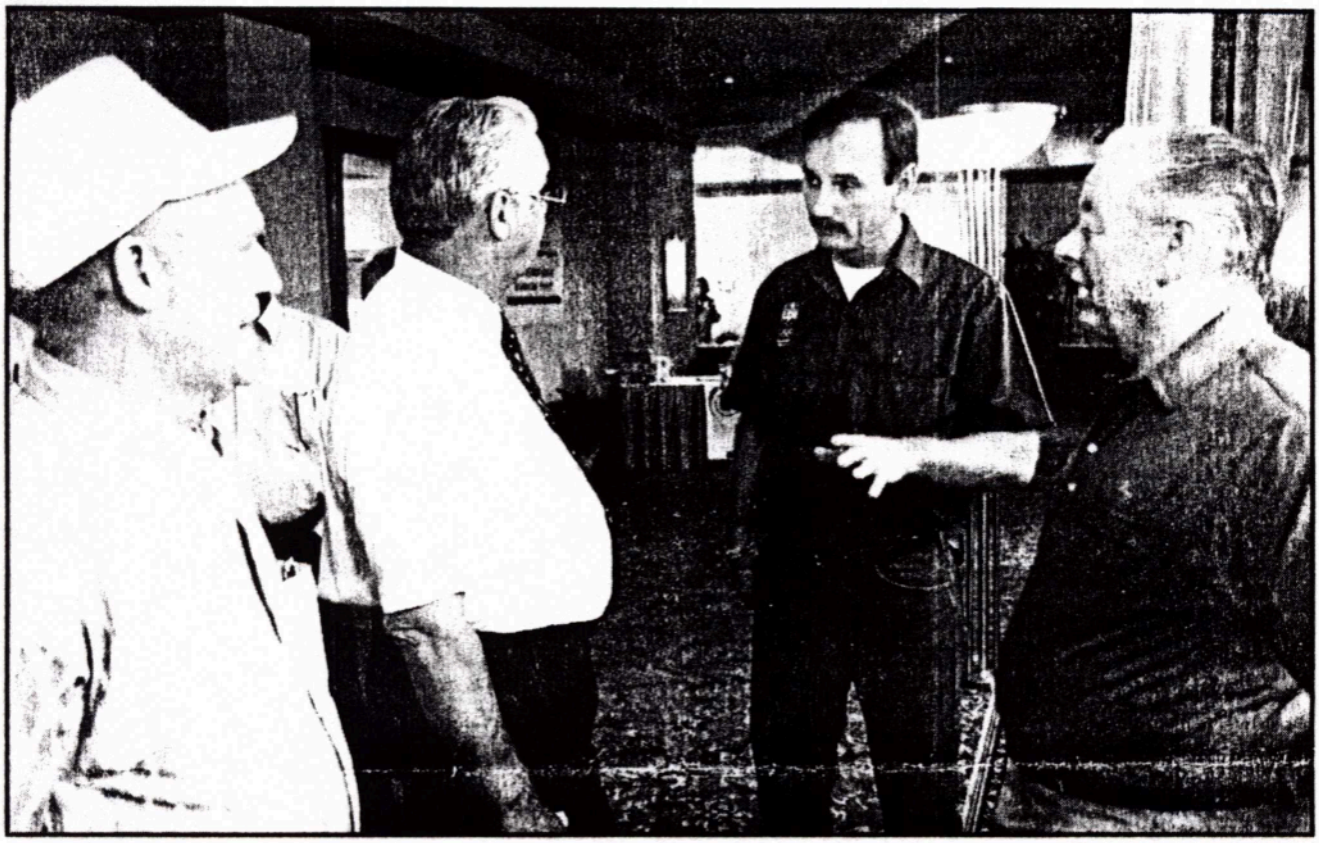


Photo by Leigh Daughtridge

Teamster and UPS worker Mike McGowan (middle right) talks with Teamster 667 president Don Newton at the FedEx stockholders meeting Monday. Also involved are Teamsters Charles Holbrook (far left) and Roy Stewart.

CORPORATE

Questions session gets testy at FedEx stockholder meeting

By Dave Hirschman
The Commercial Appeal

During an unusually rancorous annual meeting Monday, FedEx owners rejected stockholder initiatives that would have required the company to report "soft money" campaign contributions and elect all board members annually.

Representatives from the International Brotherhood of Teamsters and other unions aimed pointed questions at FedEx founder and chairman Frederick W. Smith — and Smith fired back with verbal barbs.

"Your agenda is political . . . and you need to sit down," Smith told Bart Naylor, a Teamsters spokesman who rose frequently from the audience of about 100 people with questions and comments. "I'm the only one who's going to give a speech today."

Unlike previous FedEx annual meetings, many of which lasted 20 minutes or less, Monday's frequent questions, interruptions and protracted comments extended the gathering to about an hour.

Union representatives challenged FedEx for paying board members Howard H. Baker $200,000, and Charles T. Manatt and George J. Mitchell $100,000 each for legal services in 1997, and planning to buy $265,000 in software from board member Judith L. Estrin's computer firm.

> *"Your agenda is political . . . and you need to sit down. I'm the only one who's going to give a speech today."*
>
> — Frederick W. Smith

Baker and Mitchell are former members of the U.S. Senate; Manatt is a former national chairman of the Democratic Party.

Smith defended the decisions and praised the "independence and integrity" of each board member. "There's no question they have the best interest of the shareholders at heart," he said.

Leanna Cochran, a FedEx employee from Indianapolis, took issue with FedEx hiring subcontractors and asked about possible plans to outsource work in the future.

Tom Price, a truck driver, said he thought the company was renting unsafe equipment. And Teamsters spokesman Carin Zalenko questioned Smith about a discrimination lawsuit filed in Memphis against FedEx.

Smith countered that the discrimination suit was baseless, and FedEx hiring and promotion policies were a model for the nation.

The Teamsters' pension funds own about 600,000 shares of FedEx stock, union officials said. FedEx common stock has more than doubled in value during the last 12 months — with much of the runup following an August strike by Teamsters at rival United Parcel Service.

The Teamsters say they will make a major effort to represent non-union FedEx workers, too.

Unlike UPS, however, FedEx is recognized as an airline, and the union is required to organize workers around the country all at once instead of a city-by-city basis.

Teamsters officials said the organizing campaign will go forward despite the union's leadership disarray.

Teamsters president Ron Carey's narrow 1996 re-election has been set aside by federal officials, several top aides have admitted breaking campaign finance laws, and Carey faces a strong challenge from James Hoffa.

FedEx shares on the New York Stock Exchange closed Monday at $79.37½, down 75 cents in composite trading.

To reach reporter Dave Hirschman, call 529-5874 or E-mail DHirsch@ix.netcom.com

JOHN H. WHITE/SUN-TIMES

Federal Express trucks leave a lot at 1260 W. Madison. Efforts to organize the company's workers have been in low gear for years, but Chicago workers are helping to speed things up.

Rival unions vie for FedEx

BY FRANCINE KNOWLES
BUSINESS REPORTER

Long-dormant efforts to organize workers at Federal Express Corp. are revving up, with workers in Chicago taking a leading role.

Nearly six years after the United Auto Workers began a campaign to organize workers in Philadelphia—an effort that has been snarled in legal issues—the Teamsters launched a drive here in October.

Since then, a majority of workers at seven of the 13 local Federal Express stations have asked for union representation, Teamsters Local 710 says.

Petitions seeking federal approval of Teamsters representation for those seven stations, representing more than 800 workers, have been filed. They are awaiting action by the National Labor Relations Board. Nationally, 16 petitions have been filed for 6,000 workers in the last 12 months.

Meanwhile, the UAW has led campaigns for a total of 4,000 workers in New Jersey; Washington, D.C., and Michigan. The UAW has filed its own petitions.

At stake is who would potentially have dominion at one of the country's largest employers, with 127,000 workers, about two-thirds of them hourly wage earners.

The Teamsters union, which already represents workers at United Parcel Service and Airborne Express, is the logical choice to represent FedEx workers, Teamsters representatives say.

But the UAW says it has no plans to back off. Does this put two of the nation's most powerful unions on a collision course?

"I don't see that," UAW organizer Barbara Rahke said. "The fight is over winning workers the right to an election. Anything else doesn't matter."

But labor experts and FedEx officials say both unions, whose numbers and power have weakened, have much to gain. The UAW's ranks

Turn to Page 48

JACKSON/SUN-TIMES

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FedEx

Continued from Page 43

have plummeted from 1.5 million in 1969 to roughly 794,000 today. The Teamsters union, which had 2 million members in the late 1970s, now has roughly 1.4 million.

FedEx CEO Frederick Smith said in a recent in-house newsletter that the unionization of the company's hourly work force would represent a windfall of $20 million annually in dues to either union.

For the Teamsters, successfully organizing FedEx would bring the union back to a position of prominence in the freight carrier area, a position the union lost when the trucking industry was deregulated, said University of Illinois assistant labor professor Robert Bruno.

"For the UAW, it would mean growth by diverse addition," he said.

But the recent efforts may become moot because legal questions continue to complicate matters at FedEx. The UAW's initial petition filed with the NLRB for 1,300 workers in FedEx's Philadelphia area six years ago has yet to be decided.

The NLRB must rule whether FedEx workers fall under its jurisdiction or the National Mediation Board, which oversees the Railway Labor Act. FedEx, unlike UPS and Airborne, since its inception has been governed by the RLA, not the National Labor Relations Act. That's because FedEx began as an express carrier, FedEx representatives have argued.

It's an important matter because it's harder to organize under the RLA. It requires that a majority of workers nationally agree to union representation. The Labor Relations Act lets unions organize locally.

Whatever the ruling, which some expect to come this year, the matter appears headed for the Supreme Court, since Congress stepped in last year and put in an appropriations bill a provision that FedEx would remain subject to the RLA.

FedEx says its position doesn't make it anti-union, noting that 70 percent of all RLA-covered employees across the country are represented by unions.

UAW organizer Rahke said the long delay in NLRB action hurt the UAW's initial campaign.

"Everything came to a screeching halt," she said.

That changed in recent months, when the UAW and Teamsters began getting calls from across the country from workers seeking help. FedEx workers say that's an important difference and makes them more optimistic about success.

"It's not being driven by the unions," FedEx courier Phil Beckman said. "It's the employees that are driving this, and the company by its policies."

Beckman said workers are upset about compensation. UPS drivers make more than $4 an hour more than their FedEx counterparts, Teamster organizers say.

BRIAN JACKSON/SUN-TIMES

Workers are worried about job security and turnover, says Kevin Osiowy, a FedEx courier who set up and runs a Web site on organizing.

Workers also are upset with a new pay-for-performance system, which links compensation to how many stops drivers make per hour. Workers also are worried about job security and high turnover, said Kevin Osiowy, a FedEx courier who set up and runs a Web site devoted to organizing.

FedEx spokesman Gregory Rossiter, while acknowledging turnover is a challenge, says company pay stacks up well.

"You have to compare the type of work, the market and the position—and when you do that we're very competitive," he said.

The UAW's campaign is helping it "gauge whether there is enough support for a national campaign" if the NLRB rules against it, Rahke said. Meanwhile, the Teamsters say they already view the effort as a national one.

FedEx Teamsters Rally in Indianapolis As Organizing Spreads Across Nation

Put PEOPLE back in P-S-P

Teamsters

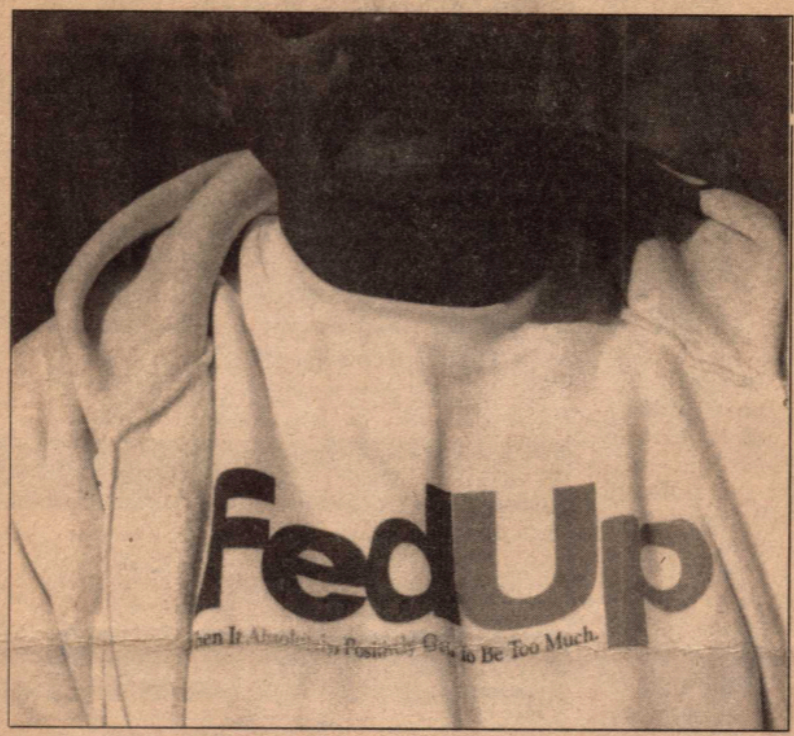
Over 400 FedEx workers and their supporters rallied in Indianapolis November 3, signaling their determination to win representation with the Teamsters. Workers from Indiana, Kentucky, Ohio, and Illinois sported "FedUp" sweatshirts in the company colors and heard Teamsters President Ron Carey pledge that the Teamsters will stand beside them in their fight for a union.

"I love FedEx and I always will," said Leanna Cochran, a truck dispatcher with eight years service. "My co-workers joke that my blood is purple. Well, I'm proud it's purple.

"We built FedEx. Now, however, the company has forgotten the 'People' in its 'People, Service, Profit' motto."

By mid-November, FedEx workers in six Indiana stations and two stations in Missouri had filed NLRB cards for Teamsters representation. And the organizing tempo is mushrooming. In September, over 300 FedEx workers in Chicago came together to talk organizing with the Teamsters. Other FedEx workers are organizing coast-to-coast, in Vermont, San Diego, Florida, Salt Lake City, New York, Albany, St. Louis, and Louisville—to name a few.

The discontent that has led to this organizing is relatively new. In earlier years, the company paid and treated its workers relatively well. But under the pressure of FedEx's competition with United Parcel Service, things are changing. FedEx workers are now very concerned about issues such as wages, working conditions, retirement, and increased subcontracting.



FedUp in Indianapolis: When It Absolutely, Positively Gets To Be Too Much.

PERFORMANCE PAY

Earlier this year, FedEx chief Fred Smith instituted a system of "performance pay" and let all FedEx workers know that never again will there be across-the-board pay increases. The "performance pay" goals are so high as to be nearly unattainable. Many FedEx workers have to work second jobs to make ends meet.

Janelle Harden, a single mother, spoke of working nearly seven years without a raise.

Bill Chaffin, a courier for 13 years, sees Teamsters working at UPS and Airborne making $4 an hour more than him; he criticizes the FedEx speedup that he sees wearing him down. "FedEx workers are driving twice as fast in order to make their quotas. It's unsafe for workers and it's unsafe for the public," he says.

FedEx Teamster leader Cochran sees the subcontracting every day. "Our lot used to have one or two common carriers," she said. "Now, it's full of common carriers pulling FedEx packages."

"Our union includes nearly 200,000 workers at UPS, Airborne, and other parcel companies who do the same jobs you do," said Teamsters President Carey. "Yet FedEx workers don't have the basic fairness that a union contract provides. It may take months or it may take years. It may have to be done under the Railway Labor Act or under the National Labor Relations Act—location by location or all at once in a big national election. But one way or another FedEx Teamsters will win and make your company a better place to work."

Carey's remark about "one big national election" refers to a big favor Congress has done for FedEx. As Congress was preparing to adjourn just before the elections, FedEx managed to get a special interest provision attached to the Aviation Appropriation defining FedEx as an "express company." This put the company under the provisions of the Railway Labor Act.

Organizing under the RLA rather than under the National Labor Relations Act will require all FedEx workers in a given category to organize on a national basis, rather than station by station.

With the skids greased by FedEx's generous contributions to politicians Democratic and Republican, the provision survived public uproar and a Senate filibuster to become law.

Despite passage of the provision, the question is currently in the courts. But FedEx Teamsters are not waiting for a decision. They are expanding their organizing efforts. □

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